

AGREEMENT BETWEEN LAKE
COUNTY, FLORIDA AND
GRAPHICS DIRECT, INC.
FOR
REVENUE SHARING TRANSIT ADVERTISING
RFP 12-0432

This Agreement (hereinafter "Agreement") is made between Lake County, a political subdivision of the State of Florida (hereinafter "COUNTY"), through its Board of County Commissioners and Graphics Direct, Inc., a Florida corporation (hereinafter "CONTRACTOR").

Recitals

WHEREAS, the COUNTY has publicly submitted a Request for Proposals (RFP) 12-0432 to retain a qualified CONTRACTOR to administer and carry out the day-to-day functions associated with interior and exterior revenue sharing transit advertising; and

WHEREAS, the CONTRACTOR desires to perform the services subject to the terms of this Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual terms, understandings, conditions, premises, covenants and payment hereinafter set forth, and intending to be legally bound, the parties hereby agree as follows:

Article 1. Recitals

1.1 The foregoing recitals are true and correct and incorporated herein.

Article 2. Purpose

2.1 The purpose of this Agreement is for CONTRACTOR to administer and carry out the day-to-day functions associated with interior and exterior advertising on COUNTY transit vehicles.

Article 3. Scope of Work

3.1 On the terms and conditions set forth in this Agreement, the COUNTY hereby engages CONTRACTOR to procure, sell, install and maintain advertising on transit vehicles for the COUNTY in accordance with the Scope of Services, attached hereto and incorporated herein as Exhibit A. The CONTRACTOR shall have the exclusive right to sell COUNTY approved advertising to local companies. Advertising may be sold in such graphic formats as to include full wrap, excluding bus fronts, murals (below the windows only) interior and exterior advertising.

3.2 This Agreement shall be effective for the one (1) year period immediately following the date of execution of the Agreement by the COUNTY. The COUNTY reserves the sole right to renew this Agreement for one (1) additional four (4) year period. Exercise of the renewal period requires the prior approval of the County's Director of Procurement Services. Prior to any renewal period, the COUNTY may consider an adjustment to price. The COUNTY reserves the right to reject any written price

adjustments submitted by CONTRACTOR and/or to not exercise any otherwise available option period based on such price adjustments. Continuation of the Agreement beyond the initial period, and any option subsequently exercised, is a COUNTY prerogative, and not a right of the CONTRACTOR. This prerogative will be exercised only when such continuation is clearly in the best interest of the COUNTY.

3.3 The CONTRACTOR shall coordinate, cooperate, and work with any other contractors retained by the COUNTY.

3.4 CONTRACTOR shall be responsible for keeping Advertising copy in good condition from normal wear and tear.

3.5 The COUNTY reserves the right to display Public Service notices and announcements. COUNTY shall not be responsible for any costs or charges associated with posting public service advertising.

3.6 CONTRACTOR acknowledges and agrees that CONTRACTOR shall utilize the U.S. Department of Homeland Security's E-Verify system in accordance with the terms governing use of the system to confirm the employment eligibility of:

- A. All persons employed by the CONTRACTOR during the term of this Agreement to perform employment duties within Lake County; and
- B. All persons, including subcontractors, assigned by the CONTRACTOR to perform work pursuant to the contract.

Article 4. Payment

4.1 The CONTRACTOR shall pay to COUNTY the fifteen percent (15%) of paid gross revenues. All payments shall be made quarterly prior to the tenth (10th) day of the month in which payment is due. For example, if the first quarter of the contract is October 1st through December 31st, payment shall be due no later than January 10th.

4.2 CONTRACTOR shall provide the following supporting documentation with each quarterly payment made to the COUNTY:

- A copy of all advertising contracts in effect between the CONTRACTOR and a third party
- A report showing all billings for the quarter
- A report showing all collections for the quarter
- A report showing all amounts past due for the quarter
- A report showing the total remaining balances on accounts
- A report showing the third party advertising contract expiration dates

4.3 Payments made out to the Lake County Board of County Commissioners, and supporting documentation shall be submitted in duplicate, to the Finance Department at P.O. Box 7800, Tavares, Florida 32778. The documentation shall also be submitted to the Community Services Department at P.O. Box 7800, Tavares, Florida 32778. Any invoices for public service advertising shall contain the RFP number and a description of services and fees generated.

4.4 CONTRACTOR shall provide to the COUNTY annually a report certified by a certified public accountant (CPA) of the advertising revenues related to this Agreement. The report shall be provided to the COUNTY within thirty (30) days of the end of each year the Agreement is in effect.

4.5 CONTRACTOR shall not be entitled to payment for any expenses, fees, or other costs it may incur at any time and in any connection with its performance hereunder.

Article 5. County Responsibilities

5.1 COUNTY shall approve proposed placement of advertising in accordance with the COUNTY's Advertising Standards, attached hereto and incorporated herein as Exhibit B. All advertising shall be reviewed by COUNTY within ten (10) day of submittal for approval by CONTRACTOR.

5.2 COUNTY will make the determination as to the size and location of advertising racks.

Article 6. Special Terms and Conditions

6.1 Qualifications. Firms or individuals shall have obtained at least the minimum thresholds of education and professional experience required to perform the services contained herein.

6.2 Termination. This Agreement may be terminated by either party upon thirty (30) days advance written notice to the other party; but if any work or service hereunder is in progress but not completed as of the date of termination, then this Agreement may be extended upon written approval of the COUNTY until said work or service(s) is completed and accepted.

A. Termination for Convenience. In the event this Agreement is terminated or cancelled upon the request and for the convenience of COUNTY with the required 30-day advance written notice, CONTRACTOR shall provide payment to COUNTY in accordance with section 4.1 of this Agreement, which shall be the pro rata fixed yearly guarantee funds or the percentage of gross revenues actually received, whichever is greater, upon termination of the Agreement.

B. Termination for Cause. The 30-day advance notice requirement is waived in the event of termination by COUNTY for cause, default, or negligence on the part of CONTRACTOR. In the event of termination by the COUNTY for cause, CONTRACTOR shall provide payment to COUNTY in accordance with the foregoing provision.

6.3 Assignment of Agreement This Agreement shall not be assigned except with the written consent of the COUNTY'S Procurement Services Director. No such consent shall be construed as making the COUNTY a party to the assignment or subjecting the COUNTY to liability of any kind to any assignee. No assignment shall under any circumstances relieve the CONTRACTOR of liability and obligations under this Agreement and all transactions with the COUNTY must be through the CONTRACTOR. Additionally, unless otherwise stipulated herein, the CONTRACTOR shall notify and obtain prior written consent from the COUNTY prior to being acquired or subject to a hostile takeover. Any acquisition or

hostile takeover without the prior consent of the COUNTY may result in termination of this Agreement for default.

6.4 Insurance. CONTRACTOR shall purchase and maintain, at its expense, from a company or companies authorized to do business in the State of Florida, and which are acceptable to the COUNTY, policies of insurance containing the following types of coverage and minimum limits of liability protecting from claims which may arise out of or result from the performance or nonperformance of services under this Agreement by the CONTRACTOR or by anyone directly or indirectly employed by it, or by anyone for whose acts it may be liable. Failure to obtain and maintain such insurance as set out below will be considered a breach of contract and may result in termination of the contract for default. CONTRACTOR shall not commence work under the Agreement until COUNTY has received an acceptable certificate or certificates of insurance evidencing the required insurance, which is as follows:

- (i) General Liability insurance on forms no more restrictive than the latest edition of the Commercial General Liability policy (CG 00 01 or CG 00 02) of the Insurance Services Office or equivalent without restrictive endorsements, with the following minimum limits and coverage:

Each Occurrence/General Aggregate	\$500,000
Products-Completed Operations	\$500,000
Personal & Adv. Injury	\$500,000
Fire Damage	\$50,000
Medical Expense	\$5,000
Contractual Liability	\$300,000

- (ii) Automobile liability insurance, including owned, non-owned and hired autos with the following minimum limits and coverage:

Combined Single Limit	\$300,000
or	
Bodily Injury (per person)	\$100,000 (per accident)
Property Damage	\$100,000

- (iii) Workers' compensation insurance based on proper reporting of classification codes and payroll amounts in accordance with Chapter 440, Florida Statutes, and/or any other applicable law requiring workers' compensation (Federal, maritime, etc.). If not required by law to maintain workers' compensation insurance, the CONTRACTOR must provide a notarized statement that if he or she is injured, he or she will not hold the COUNTY responsible for any payment or compensation for that injury.

- (iv) Professional liability and/or specialty insurance (medical malpractice, engineers, architect, consultant, environmental, pollution, errors and omissions, etc.) as applicable, with minimum limits of \$500,000 and annual aggregate of \$1,000,000.

Garage Keepers Liability
Loss of Use

- (v) **Lake County, A Political Subdivision Of The State Of Florida, And The Board Of County Commissioners**, shall be name as additional insured as their interest may appear on all applicable policies.

(vi) Certificates of insurance shall provide for a minimum of thirty (30) days prior written notice to the COUNTY of any material change or cancellation of the required insurance, with ten (10) day written notice of cancellation due to non-payment of premium.

(vii) Certificates of insurance shall identify the RFP number, contract, project, etc. in the Description of Operations section of the Certificate.

(viii) Certificate of insurance shall evidence a waiver of subrogation in favor of the COUNTY, that coverage shall be primary and noncontributory, and that each evidenced policy includes a Cross Liability or Severability of Interests provision, with no requirement of premium payment by the COUNTY.

(ix) The Certificate holder shall be: LAKE COUNTY, A POLITICAL SUBDIVISION OF THE STATE OF FLORIDA, AND THE BOARD OF COUNTY COMMISSIONERS, P.O. BOX 7800, TAVARES, FL 32778-7800.

(x) All self-insured retentions shall appear on the certificate(s) and shall be subject to approval by the COUNTY. At the option of the COUNTY, the insurer shall reduce or eliminate such self-insured retentions; or the CONTRACTOR shall be required to procure a bond guaranteeing payment of losses and related claims expenses.

(xi) The COUNTY shall be exempt from, and in no way liable for, any sums of money, which may represent a deductible or self-insured retention in any insurance policy. The payment of such deductible or self-insured retention shall be the sole responsibility of the CONTRACTOR and/or subcontractor providing such insurance.

(xii) The CONTRACTOR shall be responsible for subcontractors and their insurance. Subcontractors are to provide Certificates of Insurance to the COUNTY evidencing coverage and terms in accordance with the CONTRACTOR's requirements.

(xiii) Neither approval by the COUNTY of any insurance supplied by the CONTRACTOR, nor a failure to disapprove that insurance, shall relieve the CONTRACTOR of full responsibility of liability, damages, and accidents as set forth herein.

(xiv) If it is not possible for the CONTRACTOR to certify compliance, on the certificate of insurance, with all of the above requirements, then the CONTRACTOR is required to provide a copy of the actual policy endorsement(s) providing the required coverage and notification provisions.

6.5 Indemnity. CONTRACTOR shall indemnify and hold the COUNTY and its agents, officers, commissioners or employees harmless for any damages resulting from failure of the CONTRACTOR to take and maintain the above insurance. Additionally, CONTRACTOR agrees for good and valuable consideration in the amount of ten dollars (\$10.00) to indemnify, and hold the Board of County Commissioners, Lake County, Florida, and its officers, commissioners, and employees free and harmless from and against any and all losses, penalties, damages, settlements, costs, charges, professional fees or other expenses or liabilities to the extent caused by the negligent act, error, or omission of the CONTRACTOR, its agents, employees, or representatives, in the performance of CONTRACTOR's duties set forth in this Agreement.

6.6 Independent Contractor. CONTRACTOR agrees that it shall be acting as an independent contractor and shall not be considered or deemed to be an agent, employee, joint venturer, or partner of

COUNTY. CONTRACTOR shall have no authority to contract for or bind COUNTY in any manner and shall not represent itself as an agent of COUNTY or as otherwise authorized to act for or on behalf of COUNTY. Additionally, CONTRACTOR warrants that it has not employed or retained any company or person, other than a bona fide employee working solely for CONTRACTOR to solicit or secure this Agreement and that it has not paid or agreed to pay any person, company, corporation, individual, or firm other than a bona fide employee working solely for CONTRACTOR any fee, commission, percentage, gift, or other consideration contingent upon or resulting from the award or making of this Agreement.

6.7 Acceptance of Goods and Services. Any goods and/or service(s) rendered under this Agreement may be tested/inspected for compliance with specifications. In the event that any aspect of the goods or services provided is found to be defective or does not conform to the specifications, the COUNTY reserves the right to require corrective action as appropriate which may include, but is not limited to, ordering re-performance of service or the termination of the Agreement for default.

6.8 Public Records/Copyrights.

A. All electronic files, audio and/or video recordings, and all papers pertaining to any activity performed by the provider for or on behalf of the COUNTY shall be the property of the COUNTY and will be turned over to the COUNTY upon request. In accordance with Florida "Public Records" law, Chapter 119, Florida Statutes, each file and all papers pertaining to any activities performed for or on behalf of the COUNTY are public records available for inspection by any person even if the file or paper resides in the CONSULTANT's office or facility. The CONSULTANT shall maintain the files and papers for not less than three (3) complete calendar years after the project has been completed or terminated, or in accordance with the federal requirements, whichever is longer. Prior to the close out of the Agreement, the CONSULTANT shall appoint a records custodian to handle any records request and provide the custodian's name and telephone number(s) to the user COUNTY department.

B. Any copyright derived from any agreement derived from this Agreement shall belong to the author. The author and the CONSULTANT shall expressly assign to the COUNTY nonexclusive, royalty free rights to use any and all information provided by the CONSULTANT in any deliverable and/or report for the COUNTY'S use which may include publishing in COUNTY documents and distribution as the COUNTY deems to be in the COUNTY'S best interests. If anything included in any deliverable limits the rights of the COUNTY to use the information, the deliverable shall be considered defective and not acceptable and the CONSULTANT will not be eligible for any compensation.

6.9 Right to Audit. The County reserves the right to require CONTRACTOR to submit to an audit by any auditor of the COUNTY'S choosing. CONTRACTOR shall provide access to all of its records, which relate directly or indirectly to this Agreement at its place of business during regular business hours. CONTRACTOR shall retain all records pertaining to this Agreement and upon request make them available to the COUNTY for three (3) years following expiration of the Agreement. CONTRACTOR agrees to provide such assistance as may be necessary to facilitate the review or audit by the COUNTY to ensure compliance with applicable accounting and financial standards. This provision is hereby considered to be included within, and applicable to, any subcontractor agreement entered into by the CONTRACTOR in performance of any work hereunder.

If an audit inspection or examination pursuant to this section discloses underpayments of any nature by the CONTRACTOR to the COUNTY in excess of twenty percent (20%) of the total contract billings, in addition to making adjustments for the underpayments, the reasonable actual cost of the COUNTY'S audit shall be reimbursed to the COUNTY by the CONTRACTOR. Any adjustments and/or payments which must be made as a result of any such audit or inspection of the CONTRACTOR'S payments and/or

records shall be made within a reasonable amount of time, but in no event shall the time exceed ninety (90) days from presentation of the COUNTY'S audit findings to the CONTRACTOR.

6.10 Codes and Regulations. All work completed under this Agreement shall conform to all applicable federal, state and local statutes, codes, regulations and ordinances.

6.11 Public Entity Crimes. A person or affiliate who has been placed on the convicted vendor list following a conviction of a public entity crime may not be awarded or perform work as a contractor, supplier, subcontractor, or CONTRACTOR under a contract with any public entity in excess of the threshold amount provided in Florida Statutes, section 287.017 for Category Two for a period of thirty-six (36) months from the date of being placed on the convicted vendor list.

6.12 Prohibition Against Contingent Fees. CONTRACTOR warrants that they have not employed or retained any company or person, other than a bona fide employee working solely for the CONTRACTOR to solicit or secure this Agreement and that they have not paid or agreed to pay any person, company, corporation, individual, or firm, other than a bona fide employee working solely for the CONSULTANT, any fee, commission, percentage, gift or other consideration contingent upon or resulting from the award or making of this Agreement.

6.13 Return of Materials. Upon the request of the COUNTY, but in any event upon termination of this Agreement, CONTRACTOR shall surrender to the COUNTY all memoranda, notes, records, drawings, manuals, computer software, and other documents or materials pertaining to the services hereunder, that were furnished to the CONTRACTOR by the COUNTY pursuant to this Agreement. CONTRACTOR may keep copies of all work product for its records.

6.14 Retaining Other Contractors. Intentionally Deleted.

6.15 Accuracy and Warranty. The CONTRACTOR is responsible for the professional quality, technical accuracy, timely completion and coordination of all the services furnished hereunder. The CONTRACTOR shall, without additional compensation, correct or revise any errors, omissions or other deficiencies in its designs, drawings, signs or other services. Any corrections shall be made within thirty (30) calendar days after such deficiencies or non-conformances are verbally reported by the COUNTY's Project Administrator. CONTRACTOR agrees that the products and services provided under this agreement shall be covered by the most favorable commercial warranty that CONTRACTOR gives to any customer for comparable products and services.

6.16 Ownership of Deliverables. Upon completion of and payment for a task CONTRACTOR agrees all Tasks and/or deliverables under this Agreement, and other data generated or developed by CONTRACTOR under this Agreement or furnished by COUNTY to CONTRACTOR shall be and remain the property of COUNTY. CONTRACTOR shall perform any acts that may be deemed necessary or desirable by COUNTY to evidence more fully transfer of ownership of all Tasks and/or deliverables to COUNTY. Additionally, CONTRACTOR hereby represents and warrants that it has full right and authority to perform its obligations specified in this Agreement. CONTRACTOR and COUNTY recognize that CONSULTANT'S work product submitted in performance of this Agreement is intended only for the project described in this Agreement. COUNTY'S alteration of CONSULTANT'S work product or its use by COUNTY for any other purpose shall be at COUNTY'S sole risk.

6.17 Conflict of Interest. CONTRACTOR agrees that it will not engage in any action that would create a conflict of interest in the performance of its obligations pursuant to this Agreement, or which would violate or cause others to violate the provisions of Part III, Chapter 112, Florida Statutes, relating to ethics in government. Further, CONTRACTOR hereby certifies that no officer, agent, or employee of COUNTY has any material interest either directly or indirectly in the business of CONTRACTOR conducted here and that no such person shall have any such interest at any time during the term of this Agreement unless approved by the COUNTY.

Article 7. General Conditions

7.1 This Agreement is made under, and in all respects shall be interpreted, construed, and governed by and in accordance with, the laws of the State of Florida. Venue for any legal action resulting from this Agreement shall lie in Lake County, Florida.

7.2 Neither Party may assign any rights or obligations under this Agreement to any other party unless specific written permission from the other party is obtained.

7.3 The captions utilized in this Agreement are for the purposes of identification only and do not control or affect the meaning or construction of any of the provisions hereof.

7.4 This Agreement shall be binding upon and shall inure to the benefit of each of the parties and of their respective successors and permitted assigns.

7.5 This Agreement may not be amended, released, discharged, rescinded or abandoned, except by a written instrument duly executed by each of the parties hereto.

7.6 The failure of any party hereto at any time to enforce any of the provisions of this Agreement will in no way constitute or be construed as a waiver of such provision or of any other provision hereof, nor in any way affect the validity of, or the right thereafter to enforce, each and every provision of this Agreement.

7.7 During the term of this Agreement CONTRACTOR assures COUNTY that it is in compliance with Title VII of the 1964 Civil Rights Act, as amended, and the Florida Civil Rights Act of 1992, in that CONTRACTOR does not on the grounds of race, color, national origin, religion, sex, age, disability or marital status, discrimination in any form or manner against CONTRACTOR employees or applicants for employment. CONTRACTOR understands and agrees that this Agreement is conditioned upon the veracity of this statement of assurance.

7.8 CONTRACTOR shall at all times comply with all Federal, State and local laws, rules and regulations.

7.9 The employee(s) of CONTRACTOR shall be considered at all times its employee(s) and not an employee(s) or agent(s) of COUNTY. CONTRACTOR shall provide employee(s) capable of performing the work as required. The COUNTY may require the contractor to remove any employee it deems unacceptable. All employees of the CONTRACTOR shall wear proper identification.

7.10 Any individual, corporation, or other entity that attempts to meet its contractual obligations with the COUNTY through fraud, misrepresentation or material misstatement, may be debarred for up to five (5) years. The COUNTY as a further sanction may terminate or cancel any other contracts with such

individual, corporation, or entity. Such individual or entity shall be responsible for all direct or indirect costs associated with termination or cancellation, including attorney's fees.

7.11 The County reserves the right to require CONTRACTOR to submit to an audit by any auditor of the COUNTY's choosing. CONTRACTOR shall provide access to all of its records, which relate directly or indirectly to this Agreement at its place of business during regular business hours. CONTRACTOR shall retain all records pertaining to this Agreement and upon request make them available to the COUNTY for three (3) years following expiration of the Agreement. CONTRACTOR agrees to provide such assistance as may be necessary to facilitate the review or audit by the COUNTY to ensure compliance with applicable accounting and financial standards.

7.12 CONTRACTOR shall act as the prime contractor for all required items and services and shall assume full responsibility for the procurement and maintenance of such items and services. CONTRACTOR shall be considered the sole point of contact with regards to all stipulations, including payment of all charges and meeting all requirements of this Agreement. All subcontractors will be subject to advance review by the COUNTY in terms of competency and security concerns. No change in subcontractors shall be made without consent of the COUNTY. CONTRACTOR shall be responsible for all insurance, permits, licenses and related matters for any and all subcontractors. Even if the subcontractor is self-insured, the COUNTY may require the CONTRACTOR to provide any insurance certificates required by the work to be performed.

7.13 With the consent of CONTRACTOR, other agencies may utilize these services in accordance with the contract. Such services shall be governed by the same terms and conditions as stated herein with the exception of the change in agency name.

7.14 The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

7.15 Wherever provision is made in this Agreement for the giving, service or delivery of any notice, statement or other instrument, such notice shall be in writing and shall be deemed to have been duly given, served and delivered, if delivered by hand or mailed by United States registered or certified mail or sent by facsimile, addressed as follows:

If to CONTRACTOR:

Carlos Solis
President
552 U.S. Hwy 27
Minneola, Florida 34715

If to COUNTY:

County Manager
315 West Main Street, Suite 308
Post Office Box 7800
Tavares, Florida 32778-7800

Cc: Ken Harley, Public Transportation Director

Each party hereto may change its mailing address by giving to the other party hereto, by hand delivery, United States registered or certified mail notice of election to change such address.

Article 8. Scope of Agreement

8.1 This Agreement is intended by the parties hereto to be the final expression of their Agreement, and it constitutes the full and entire understanding between the parties with respect to the subject hereof, notwithstanding any representations, statements, or agreements to the contrary heretofore made.

8.2 This Agreement contains the following Exhibits:

Exhibit A	Scope of Services
Exhibit B	Advertising Standards

IN WITNESS WHEREOF, the parties hereto have made and executed this Agreement on the respective dates under each signature: COUNTY through its Board of County Commissioners, signing by and through its Chairman, authorized to execute same by Board Action on the 18 day of Nov, 2010 and by CONTRACTOR through its duly authorized representative.

2012
[Signature]

CONTRACTOR
Graphics Direct, Inc.

[Signature]
Carlos Solis, President

This 20 day of NOV, 2012.

COUNTY

LAKE COUNTY, through its
BOARD OF COUNTY COMMISSIONERS

[Signature]
Leslie Campione, Chairman

This 20th day of December, 2012.

ATTEST:

[Signature]
Neil Kelly, Clerk of the Board
of County Commissioners of
Lake County, Florida

Approved as to form and legality:

[Signature]
Sanford A. Minkoff
County Attorney

SCOPE OF SERVICES

Lake County is seeking the services of a firm to administer and carry out the day-to-day functions associated with interior and exterior revenue sharing transit advertising. The vendor selected to manage the sales and placement of advertising on vehicles providing public transportation for Lake County shall demonstrate its ability to manage all tasks related to the execution of this revenue sharing agreement. These tasks include:

- All client sales contracts
- Design, production or silk-screening services
- Posting and removing signs on vehicles providing public transportation for Lake County
- Billing and collecting revenues from clients
- Other necessary or customary business practices.

The County is composed of 1,157 square miles, with 953 square miles of land area and 204 square miles of water area and 1400 lakes. According to the United States Census Bureau our population in 2006 was in excess of 280,000 people. Lake County currently operates twenty-five (25) different vehicle types (varying by model, style and year) for transportation (Attachment 4).

The County operates a fixed route system known as LakeXpress and a paratransit system known as Lake County Connection.

As of October 1, 2011 Lake County operates 4 fixed routes with 7 fixed route (LakeXpress) buses for pullout each day. There are 52 paratransit vehicles (Lake County Connection) during peak service. Service hours for LakeXpress are 6:00 a.m. to 8:00 p.m. and Lake County Connection from 6:00 a.m. to 7:00 p.m.

Including spare buses, the LakeXpress fleet consists of thirteen (13) fixed route buses and seventy-three (73) vehicles for paratransit services for operation within the Lake County service area.

Route 1: Route 1 has four blocks (buses). It contains 63.1 route miles. Route one is our Cross County Connection and traverses north, south, east and west. Its most northern point is Spanish Springs Station in the Villages. We are prepared to meet any service connections provided by Sumter and/or Marion County in the Villages. Going south it connects to Route 2

at Citizens Boulevard and US 27 in Leesburg. Users can transfer from Route 1 to Route 2 or continue on Route 1. All transfers will be free.

Route 1 then departs Citizens Boulevard and heads east to Eustis. It will connect at major facilities such as Lake Square Mall, Lake Sumter Community College, Florida Hospital Waterman, and will transfer to Route 3 at Eustis Square (shopping plaza) on Ardice Street. Route 1 will continue northeast through major portions of Eustis including the downtown area and the Eustis Community Center.

Route 2: The Leesburg Circulator serves the major activity centers in Leesburg. Its boundaries will be north to the Wal-Mart on US 27 at the Leesburg/Fruitland Park City limits, south to SR 44, then east to Leesburg Regional Medical Center, then west to CR 468. This route contains 14.9 route miles.

Route 3: The Mount Dora Circulator will traverse through Mount Dora on a 14.3 route mile loop. The boundaries will be northeast to Limit Avenue, south to Camp Avenue, west to Donnelly Street (including historic downtown), and east to Wardell Street.

Route 4: Route 4 provides a two-hour headway along the 44 mile round trip from Altoona to Zellwood and back. It travels along SR19 from Altoona to US 441 in Eustis and then to Zellwood.

During the 2009/10 fiscal year we provided 239,740 trips. We traveled 415,778.60 vehicle miles and 384,653.40 revenue miles.

The County will explore and entertain advertising on bus shelters, benches and bus passes, and if permissible, the scope of the advertising agreement may be modified to include those areas as well.

Lake County will provide exclusive rights (except when the County may want to have Public Safety notices posted with coordination through the Contractor) to advertise space on the interior and exterior of all Lake County transit vehicles specified in the contract and as added or amended.

All agreements for the placement of advertising shall be between the advertiser and Contractor. Nothing herein shall be construed to create a contractual relationship between the County and such advertiser.

Contractor Responsibilities:

1. The Contractor shall maintain a comprehensive sales plan, and shall aggressively market their program to advance the sale of advertising space. The Contractor shall put forth its best effort to coordinate the sale, installation, removal, and maintenance of exterior and interior advertising space on Lake County vehicles. A copy of the sales plan shall be provided to the County.
2. A single representative shall be designated as the point of contact to answer any inquiries, troubleshoot problems and resolve any issues and be the general liaison for any business between Lake County and the proposer. Said person must be accessible during regular business hours and must provide two telephone numbers for contact. It is preferred the representative reside in the Central Florida area.
3. The Contractor shall procure, sell and install advertising in accordance with this section upon the vehicles utilized by the County for public transit at no cost to the County.
4. The Contractor shall be responsible for durable advertising signs produced in a process subject to the approval of Lake County.
5. Contractor shall not self-promote on any vehicles without express written consent from Lake County.
6. The Contractor shall perform all billing and collections connected with advertising sales.
7. The Contractor shall establish all rates and charges for the rental of advertising space on busses and must provide a copy of its rate sheet to Lake County.
8. The Contractor shall maintain, separately, all sales and financial records relating to each account of the revenue-advertising program.
9. The Contractor shall provide accurate sales report, provide a copy of each contract, accounting information and pertinent records relating to the advertising program for audit. Quarterly reports will be required of the Contractor featuring gross billing and net billings, display types, total space available, total space sold, and total space traded or bartered. Inventory reports will also be required monthly. These reports shall be provided in conjunction with the quarterly payments tendered by the Contractor to the County.
10. The Contractor shall be responsible for services that are in strict compliance with all applicable laws and statutes of the United States, the State of Florida, ordinances, regulations or resolutions of Lake County.
11. To acknowledge full liability and responsibility for any claims for damages resulting out of services performed under this agreement.
12. The Contractor shall furnish the County with copies of all signed contracts and correspondence (including changes in prices, lengths of contracts and cancellation notices) within a month of their execution and prior to the advertising being installed.
13. The Contractor is required to remit revenues earned quarterly within twenty (20) calendar days after the end of the quarter in which they were earned. The revenue must be accompanied by a report that includes details of:

A. All contracts in effect

B. Billings for the month

- C. Collections for the month
- D. Past due amounts
- E. Total remaining balances on accounts
- F. Contract expiration dates

Installation of advertisements:

1. The Contractor must ensure that all installation and maintenance personnel are properly uniformed, presenting a neat and clean appearance at all times. The Contractor must control the actions of its employees.
2. All advertising shall be displayed in a neat and workmanlike manner. The Contractor shall maintain all displayed advertising so as to ensure its neat appearance and promptly remove all advertising which is torn or otherwise unsightly in appearance. The County will exert its best efforts to ensure that advertisements are kept clean during the normal course of routine cleaning of the buses. To ensure integrity of wrapped vehicles, the County shall not pressure wash vehicles.
3. All installation, unless otherwise arranged, must be scheduled through the designated Lake County representative in conjunction with appropriate County Maintenance Operations Staff. Contractor's representative shall be responsible for submitting all proposed advertising to Lake County for review, approval and/or disapproval. The Contractor is responsible for the cost associated with bus preparation and maintenance of ads.
4. The Contractor must ensure that the installation of advertising devices and the materials to be contained therein shall take place during hours of minimum passenger and visitor activity, at such hours as approved by Lake County and installation of all advertising display units will be closely coordinated with Lake County so that regular operations are not impacted and so that all standard safety regulations are adhered to.
5. Contractor shall insure that graphics are installed utilizing materials and application methods that are of the highest industry standard. Furthermore, each contract entered into between Contractor and client shall include these specifications, and have certifications of compliance for materials and application methods utilized signed and included as part of the contract.
6. The Contractor must remove copy which contain graffiti within forty-eight (48) hours of being notified verbally by Lake County.
7. Installation must meet all manufacturers requirements. Negligence on the Contractor's part that causes damage and/or repainting shall be paid by the Contractor on all newly wrapped vehicles that have not had signage applied. The Contractor shall reimburse Lake County for the cost of repairs to return all new vehicles with original paint to original state and condition when wraps/signage comes off. The County is aware that when signage is added to the busses that the area where the signage is applied may be lighter than the remaining portions of the bus and in such cases there are no expectations for the Contractor to make any repairs.
8. Once the framing is installed on a vehicle it will become the property of the County.

9. Contractor shall not pursue advertisements, which fail to meet Lake County's standards of reasonability and good taste. Also, Contractor shall not pursue advertisements that may be categorized as:
 - Vulgar
 - False, misleading or deceptive
 - Controversial
 - Adult entertainment or pornographic
 - Defamatory or scornful of a particular individual or group of persons
 - Inflammatory, or supportive of lawlessness or violent action
 - Promoting alcohol, illegal drugs or tobacco products
 - Promoting illegal or destructive behavior
10. Geographic advertising sales will not be permitted. The Lake County fleet is assigned based on mileage, and there is no guarantee that a specific bus will be assigned to a certain designated route for any designated period.

Rights of Lake County:

1. Lake County shall approve all advertising, exhibit material, announcements, or any other communications displayed and/or exhibited on its fleet. No defamatory, libelous, slanderous, obscene, religious or political advertising or other advertising at Lake County's sole discretion, that fails to meet Lake County's standards as set forth below, may be accepted by the Contractor for display on Lake County's fleet. The Contractor shall comply with generally accepted industry standards with respect to good taste and applicable laws and regulations, including but not limited to, truth in advertising, copy rights and trademarks.
2. Lake County has the right at all times during the term of the agreement, following reasonable advance written notice, to the removal, change of location, modification or refurbishment of any or all advertising. Advertising that is not initially approved by the County shall be subject to immediate removal by the Contractor at the expense of the Contractor.
3. If Lake County buses are utilized for free advertising, the Contractor shall not be responsible for the cost of installation, materials or removal of advertisements.
4. A minimum of one (1) interior bus signs per bus may be used by the County for its own use. The Contractor shall place and remove the County's advertisements without charge. The County will be responsible for the production costs of any advertising signs used for the County.
5. The County reserves to right to allow non-profits, charitable organizations and government agencies to use unfilled space for promotion of public good at no charge provided that the non-profit or charitable organization is in good standing with the Contractor and the County. Contractor will not be responsible for the cost of removal of all existing advertising not sold by Contractor. In such cases the non-profit or governmental agency shall be responsible for production and removal costs of such advertising.

EXHIBIT B

ADVERTISING STANDARDS

This advertising program for public transit vehicles is created and administered by Lake County, Florida. The advertising program is intended to be a nonpublic forum and is not intended to be used for public discourse. The purpose of the program is to raise revenue for Lake County. Commercial advertising is permitted on designated areas of transit vehicles in accordance with the commercial advertising standards, rules and policies.

The display of material pursuant to this advertising program does not necessarily state or reflect the opinion, viewpoint, or position of Lake County, its Board of County Commissioners, or its employees, and shall not be construed as an implicit or explicit endorsement of any opinion, viewpoint, position, service, product or good.

1. All advertising must be reviewed and approved by the County prior to placement in the transit system, and any advertising placed without prior County approval is subject to immediate removal.

2. The following kinds of advertisements are prohibited:

- (a) Advertising associated with cigars, cigarettes, pipe tobacco, chewing tobacco, and other tobacco products.
- (b) Advertising associated with alcoholic beverages, including but not limited to, beer, wine, and distilled spirits.
- (c) Advertising associated with products or services related to human reproduction or sexuality, including but not limited to contraceptive products or services, other products or services related to sexual hygiene and counseling with regard to pregnancy, abortion, or other sexual matters.
- (d) Advertising associated with products, services, or entertainment directed to sexual simulation.

3. The following categories of advertisements are prohibited:

- (a) *Demeaning or disparaging.* Advertisement containing material that demeans or disparages an individual or group of individuals on the basis of race, color, religion, national origin, ancestry, gender, age, disability, ethnicity, or sexual orientation.
- (b) *Profanity.* Advertisement containing profane language.
- (c) *Firearms.* Advertisement containing an image or depiction of a firearm.
- (d) *Violence.* Advertisement containing an image or description of graphic violence or the depiction of weapons or other implements or devices associated in the advertisement with an act or acts of violence or harm to a person or animal.
- (e) *Unlawful goods or services.* Advertisement or any material contained in it, which promotes or encourages, or appears to promote or encourage, unlawful or illegal goods or services.

- (f) *Unlawful conduct.* Advertisement or any material contained in it, which promotes or encourages, or appears to promote or encourage, unlawful or illegal behavior or activities.
- (g) *Nudity.* Advertisement or any material contained in it, which has an image or depiction of nudity, or the appearance of nudity.
- (h) *Endorsement.* Advertisement or any material contained in it, which implies or declares an endorsement by the County or the Board of County Commissioners.
- (i) *Political.* Advertisement which includes but is not limited to advertisements identifying and urging support for or in opposition to a particular political issue, party or candidate for public office.
- (j) *"Adult"-oriented goods or services.* Advertisement which promotes or encourages, or appears to promote or encourage, adult book stores, nude dance clubs and other adult entertainment establishments, adult telephone services, adult Internet sites, and escort services.
- (j) *Potential Danger.* Advertisement which displays the word "stop," "drive," "danger" or any other word, phrase, symbol, lighting, or any devices or any components thereof, or character likely to interfere with or mislead pedestrian or vehicular traffic.